New Orleans Commercial Corridor Revitalization Strategy

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Case for a Citywide Policy and Strategy

- Leverage economic and community development potential of corridors
- Ensure appropriate resources and tools to incentivize and support revitalization
- Coordinate, align and access resources across sectors
- Link corridors to implementation of key plans, policies and priorities
- Create a clear pathway and resources for local stakeholders working on revitalization
Commercial Corridors:
Alignment with New Orleans Master Plan

• Central to Master Plan vision for a livable, equitable and sustainable city:
  “The city’s existing main streets...will be joined by new, walkable main streets in...other parts of the city. The animated farmers markets, arts festivals, and performance venues [in] these streets...will draw people to enjoy each other’s neighborhoods. St. Claude, North and South Rampart, and O.C. Haley will form a network of main streets that draws thousands of people on weekends to explore the city’s cultural diversity.”

• Central or supporting role to Master Plan goals across sectors
  – Neighborhood and Housing: core strategy for access to retail and services (Strategy 3A)
  – Historic Preservation: preservation strategy linked to neighborhood revitalization
  – Prosperity and Opportunity: supports goal of vibrant small business base
  – Environment: smart growth patterns with mixed-used walkable, bikeable neighborhoods
Commercial Corridors: Alignment with Other Plans

• Resilience Plan
  – Sites and support for property owner risk reduction and water infrastructure projects
  – Promotes opportunity/equity via expanded healthy food access and affordable housing
  – Linked to stronger city systems for transportation, business and neighborhood preparedness

• Prosperity NOLA
  – Location and part of ecosystem to promote entrepreneurship and small business
  – Help reposition city brand with livable, safe, and culturally rich neighborhoods

• Housing NOLA
  – Key to goal of neighborhoods with equal access to amenities
  – Supports policies for increased infill housing and affordable housing near high-frequency transit

• New Orleans Incentives Strategy
  – Encourage “vital neighborhoods of opportunity” via corridor revitalization
Framework for Commercial Corridor Revitalization

- Planning/Management/Evaluation
- Business Development
- Safety and Services
- Public Realm/Infrastructure
- Real Estate Development

Strong & Vibrant Corridor
Findings: New Orleans Corridor Ecosystem Gaps

- No sustained core funding for corridor revitalization initiatives
- Weak coordination across city agencies to support of corridor revitalization
- Intentional strategies to advance social and racial equity & mitigate displacement
- Business development organizations and CDFIs do not target commercial corridors
- Increased financing and development capacity needed for real estate development
- Financing gaps: (1) NMTCs for large projects; (2) leasehold improvements to vacant commercial space; and (3) business owner property acquisition
- Tools to fund district management, improvements and services
- Universities are under-utilized to expand neighborhood capacity and expertise.
Corridor Programs in Other Cities

Researched 11 City Programs

- Baltimore
- Boston
- D.C.
- Orlando
- Milwaukee
- Portland
- Somerville, MA
- Seattle
- Philadelphia
- San Francisco
- Birmingham, AL

Three Program Types

1. **Main Street programs**: city designates corridors as Main Street districts; provides operating grants and other support to independent 501(c)(3) organizations that oversee revitalization efforts.

2. **Multiple city programs** with grants, loans, investment incentives, and other support for corridor revitalization and management. Each program has its own goals, funding parameters, and eligible recipients.

3. **Centralized Management and Assistance**: citywide EDO (RevBirmingham) supports corridor revitalization with 3 staff district managers, small business loans and training, incentives and direct real estate development.
Commercial Corridor Strategy Goals and Priorities

Goals

• Strengthen commercial corridors as community and commercial centers
• Build community-based civic capacity
• Leverage corridors’ potential to support city policy and planning goals:
  – Improved resiliency
  – Resident access to goods and services
  – Expanded economic equity
  – Expanded supply of affordable housing

System Gaps to Address

• Sustained funding for community-driven initiatives
• Coordinated city support for corridor revitalization
• Business outreach and development services targeted to commercial corridors and advancing equity
• Financing for commercial real estate acquisition and predevelopment
• Financing for business leasehold improvements and property acquisition
• Effective tools to fund district improvements and services
• Sustained university resources for corridor revitalization

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Strategy Components: Core City Corridor Program

1. Core operating grants for designated corridor revitalization partnerships
   – $50,000/year to non-profits focused on targeted corridors that meet program standards

2. Dedicated staff person to oversee program
   – Provide guidance to local partnership; liaison to/coordinate with city departments

3. Grants to business development organizations to support outreach and expanded services

4. Equity and inclusion strategy to address racial and economic equity

5. Flexible technical assistance and project fund to plan and implement special projects

Estimated Annual Program Budget: $435,000 to $500,000
Strategy Components: New Financing Programs and Tools

- **Corridor Business Growth and Stabilization Fund**
  - Finance (1) leasehold improvements to bring new business into vacant ground floor space; (2) property purchase by existing businesses; (3) small commercial properties
  - Administered by CDFI with city participation; initial capitalization goal of $2 million
- **NORA “Façade Plus”** to finance facades and interior improvements for small properties
- **Use Economic Development Districts** to provided sustained funding for expanded services, public improvements and district management.
  - Long-term goal: new state legislation for flexible process to establish corridor and neighborhood improvement assessment districts
- **Expand access to New Market Tax Credits** (NMTCs): form new Community Development Entity or partner with existing one to secure NMTC allocations dedicated to New Orleans
Strategy Components: Planning, Capacity-building and Equity

- **Create housing development plans** for each designated corridor and surrounding neighborhoods
  - Integrate information on available properties, community priorities and city plans into a housing plan to guide developers and inform funding decisions on affordable housing.
- **Establish a university partnership** to enhance corridor planning and staff capacity through; (1) an internship program to place graduate students with corridor revitalization organizations; and (2) using regular “practicum” courses to prepare plans and undertake design or feasibility studies
- **Expand UNO Community Development Finance Certificate Program** to more corridors
- **Explore a city community benefits policy** in which large scale private and institutional development projects contribute to a community benefits fund and/or establish specific programs to link the projects’ development benefits to the surrounding neighborhoods
- Equity goals advanced via core program, housing plans expanded financing and business services
Strategy Alignment with Revitalization Framework

**Business Development**
- Core City Corridor Program
- Corridor Business Growth and Stabilization Fund
- Community Benefits Policy

**Planning/Management**
- Core City Corridor Program
- Housing Plans
- University Partnership

**Real Estate Development**
- NMTC Initiative
- Economic Development Districts
- University Partnership
- Community Benefits Policy
- NORA Façade Plus
- Expand UNO CD Finance Training

**Public Realm/Infrastructure**
- Core City Corridor Program
- University Partnership
- Economic Development Districts

**Safety and Services**
- Core City Corridor Program
- Economic Development District